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OFFICE OF SECURITY NOTICE NO. 73-12

FOR : All Office of Security Employees

SUBJECT: Office of Security Reorganization

- 1. The reorganization of the Office of Security which was explained in detail at the 10:00 a.m. meeting of 19 July 1973 with Office of Security employees will be effective on Monday, 23 July 1973 for the Physical, Technical and Overseas Security and the Policy and Management Directorates.
- 2. The reorganization as it affects the Personnel Security and Investigations Directorate will take place in the near future. Further details will be announced later.
- 3. Specific details on the implementation of the reorganization covering personnel realignments and physical location will be handled by the appropriate Deputy Directors.

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Moward J. Osborn

Director of Security

MR. OSBORN: Good morning. Ladies and gentlemen, welcome to "I've Got a Secret." [Laughter.] This is quite a group. I knew we had a lot of ugly men but I didn't realize we had so many pretty girls in the office. This is really an historic occasion in the Office of Security. None of us have been able to remember any other occasion where the Director of Security and his key executives had the opportunity to talk to the office as a whole. It's a first time, it's an important time, and I'm glad that we decided to do it. $\overline{\mathcal{I}}$ The reason for our getting together today is really threefold. First of all we want to present to you, in some detail, our planned reorganization. Secondly, we want to announce from the top to the 🏈 bottom all personnel assignments to all of you at the same time. If that doesn't kill the rumors nothing will. [Laughter.] And I might add that when you return to your offices the personnel assignment lists indicating personnel assignments will be available to you down through the Branch level. Thirdly, we want to tell you about our plans for some changes in our career system -- in the Career Board, the creation of panels, and the creation of a Management Advisory Group. F This is the first meeting of its kind. I hope to have one once a year -- more often if it's warranted. I think it's a good idea and I think it's very worthwhile. I'd like to go in myself, in a general way, into our reorganization. "Rudy, if I could have Slide #1, please.

First of all, why did we find it necessary to reorganize.

It's a very simple thing. In order to achieve the reductions that the Office has been asked to achieve by June of 1974, as have all other components of the Agency, reorganization and consolidation of function was the only answer. If we continued to achieve - work on a reduction by picking a slot here and a slot there, we would end up with all Chiefs and no Indians.

We adopted a little different approach in this reorganization because we wanted it to be more a part of you. We wanted to have a little better

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participation. Instead of and I sitting down and coming up with a reorganization, I created a task force comprised of Chief of A&TS, then finally, in recent weeks, 25X1A

I gave them just general guidelines. I told them not to concern themselves with personnel assignments, forget people, and come up with a good, sound, workable, functional organization. I rotated the Chairman. I let each one of them chair a different phase of the activity. Subsequently, after the initial reorganization had been approved not only by Mr. Browman, Deputy Director for Management and Services, but by the Inspector General, we created the task force, created committees, bringing it further into the Office, and charged the committees with coming up with an implementation plan, which they have done. They've done a fine job. And I would like to take this opportunity to commend not only the task force but the members of the individual committees, for the intelligent, sensible work that they did. It was a lot of work, and they put in a lot of time. So we end up with this, the individual Deputy Directors will brief you in more detail on each of their Directorates. But as I say, it is a good, clean, functional organization, and in a large sense more than any other reorganization that I've had anything to do with, it is a product of the Office. Everybody participated, or a large number of people participated. It will work I'm sure but only if each one of you works hard, intelligently, efficiently, with ingenuity, and with total support to it -- it will work and it will work well. Insofar as timing is concerned, the creation of the Directorate of Policy and Management will be effective Monday, as will the creation of Physical, Technical and Overseas Security in its new form. The Personnel Security and

Investigations Directorate, we're shooting for a target date of 30 July but the actual implementation, physical implementation is going to depend on certain space moves -- logistics is very crowded, overworked at the present time -- the effective date of that Directorate taking its new form will therefore have to depend on physical moves.

I'd like to introduce --Rudy, could we have the lights now? I'd like to introduce the key officers in the new organization. I would like each of them to stand and turn around and face you so you can see what they look like. We'll start out with the Deputy Director of the Office, We're most fortunate to have Charlie back with us again. who will be the Deputy Director of Security for Physical Technical and Overseas Security. who will be Bob's Chief of Operations. 25X1A will be Chief of Physical Security Division. will be Chief of Tech Division, but Joe's out of town I understand. In the middle of the chart. will be Deputy 25X1A Director of Security for Policy and Management. The Chief of the Policy Planning and Administration Division is 25X1A · And last but certainly not least, the monster of the organization, 25X1A I'm sorry, Stan. I don't mean you, I mean your Directorate. is --[Laughter.] -- is the Deputy Director of Security for Personnel Security and Investigations. see you stand up (there) you do

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look a little like a monster. [Laughter.] His Chief of Operations is

who is over minding the shop while we're here.

will be Chief of the Clearance Division. And finally,

will head up - be Chief of the Security Support Division.

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Now without further ado I would like to introduce to you who will present our plans for the Career Board, for Career Panels, and for the Management Advisory Group.

Thank you.

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Oz, thank you very much.

Before taking up the subject at sort of hand I'd like to add a personal note. I've been away from the office for the past two years, the first time I've had a chance to talk to a group of this size since I've been back. First I'd like to say I'm happy to be back. Second this has been my carrer service for the past twenty years, a little and over so I feel like I'm returning home. This particular career service is very important to me personally and so I appreciate the opportunity really to talk about the career service. There's only one small problem, I dictated my notes are my secretary, and she 25X1A promptly volunteered to stay up and answer the phones. So I hope I can get these points across.

First of all on our career service the career board we've had roughly the same type of operation for a number of years and its been a good systems but with changes in concepts and changes in organization that Oz has announced, it will require a change in membership in the Board and will cause a change in policies and procedures of the Board. This is an effort to accomplish this particular change, for just change itself, but for career service improvement. before setting out to make these changes, we tried to set some goals in making the change. With these goals in mind we proceded with the changes.

Now the goals we was used first of all we attempted to bring the membership of the new Career Board as far down the chain of command as feasible.

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We hope to bring the Board closer to the career of personnel it serves. Second, we hope to improve communcation between the Board and the members of the Career Service. Actually we've been trying to do this in many different areas -- more recently started distributing minutes of the Thursday staff meetings to all personnel including those in the field. And this just one indication of the effort to improve communications throughout the office. Third, we set a goal of informing personnel the policies and procedures of the Career Board . Fourth, we hope to direct the Career Board efforts toward the career management of personnel than the Board done it in the past. we hope to through furnish the Career Board more support the use of personnel in the Career Service, other than those on the Career Board, to assist the Board with its work. Now with these goals in mind we I'm going to go over this plan with you now. First of all I'd like to deal Rudy you give me that that again? with the membership of the Board. The membership of the new Board would be as follows: First of all it be chaired by the Deputy Director of Security. The membership of the Board then be The Deputy Director, PTOS or his Chief Operations, in Bob's absence, Bill The Deputy Director for Policy and Management will serve on The Deputy Director for Personnel Security and Investigations, Policy and Management on the Board in his absence Also added to the Board will be the Chief, Physical Security Division, Chief, Technical 25X1A Division, The Chief Plans, Programs and Adminstration Division. Bob will as a dual role he will serve on t he Board, he will furnish staff support to the Board --at least for the time being since he is a M&S careerist he will be a non-voting member of the Board. The Chief, Clearance Division,

will serve

Board, and the Chief, Security Support Division,

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on the Board.

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Those are the individuals that will actually serve on the Career Board itself. There will be many more participating in Career Board actions. Second, I spoke of a goal of communications. Set aside about five different items five different ways we hope to improve communications, and like to outline them to you. First of all, we want to brief all Career Service personnel on the Board , its mission and how it operates. We plan to do this in n otices, briefings discussions Division and Field Office meetings and annual meetings when necessary. We plan to make this a special topic, at least on an annual basis. Second, we plan periodic reports from the Career Board to members of the Career Service on the Career Board activaties. The timing hasn't been set -- we're thinking, roughly, conce every six months. Third, we hope to have more direct contact between the Board and the individual being considered for assignment, we'll do in all cases in the case of senior schools the Board will talk to the individuals. the candidates for the schools We probably will also so do the same in connection with special assignments. Fourth, we plan to have more direct contact the between the Board and personnel returning from overseas. We hope to talk to each of these individuals. We think we can get a better idea of the job to be by talking to these people on their return. Finally, in the area of communications, we make the Board available to meet with personnel on career concepts we propose to make the board available to personnel wishing to suggest changes a career concepts.

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We hope to have a more open $\hat{\mathfrak{b}}$ oard \mathfrak{p} more communications by doing this. Now, in connection with our third goal, we have a feeling that personnel in the career service are not really aware of the policies and procedures that guide the Board. And we hope to establish procedures whereby personnel will be advised of the policies and procedures and will be advised changes in policies and procedures which may guide the Board in its deliberations. This too will be done through notices export briefings, But the concept is to let the people know the policies being followed by the Board. In the fourth area, we hope to have the Board paying more attention to Eareer management. IN this connection we plan to establish panels by grades to advise the Board and assist the Board in promotion, assignments, career development of personnel. Under this program the panel would be chaired by a member of the Board but the membership of the Panel would be drawn from outside the Board, --Division Chief level, Branch Chief level, and so on. In this connection we hope to place a lot of pressure on the supervisor to become really a first line career management officer. And that supervisor's performance will be judged on how well he does this particular job. Finally, in the way of change we hope to make the Career Board responsive to needs for change. In this connection we're planning to establish a Management Advisory Group, one that's in the Agency, Members of this group willcome from various levels within the Office hope this group will assist the Board in making special studies regarding Board activities and career management.

the MAG We envision having entree to the Board, to the Director of Security. We hope they will be used as a source of information to indicate that there is a need in changing our career concepts. Well briefly, that's transfer sort of the plan as it goes. stated in summary the goal was to get the @ Board closer to the personnel To get the personnel it serves closer to the Board. Probably more important, we hope to make this board an instrument that serves, not only management, but serves the career service. I)ve outlined the way we propose to do it and if achieves)the results we want, fine, If not, we 'll change it. Nothing is set in concrete as Oz lime to say these days." am might end up by saying couple of words on change. First of all, most of you know me know that I feel a change is a good thing. And I (foresee) changes in me polices and procedures the Career Board in the coming years. Basically its our goal in the Career Board, or it will be our goal, to have all career service personnel be given an opportunity to make contribution to these changes, that will not be change for change itself but change for a better career service for the Office of Security. Well having said that, I'll go to my next task at hand, And that's to instruduce the next speaker, who will go over his team. This is the Deputy Director, PTOS

Thank you The PTOS directorate/of the three directorates was the least changed by the reorganization. In its present form it retains all the previous responsibilities including cognizance of the Security Officers who are assigned to other components T/Os. We lost the Computer Security responsibility during the reorganization. But we did have changes significant changes. We combined all the technical skills within the Office of Security in one Division, Technical Division.

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So we'll have in Tech not only the responsibility io consult but physical equipment also. Another significant change was the abolishment of the old OSSD and those duties transferred to Physical Security Division and Tech Division. So we consolidated, then, all of the survey responsibilities within one Division, Phy sical Security Division. What I'd like to do now is announce assignments to PTOS under the reorganization, specifically where there have been changes. Now there are some announcements that I'll make and some that the -those follow me will make which are in essence nominations, because they haven't been coordinated finally with the components outside the Office of Security. And in our endeavor to get the word to you first, some of the coordination had to be pretty minimal. So in those instances where there are nominations I'll so indicate. Rudy could I have Slide #2

ILLEGIB In the Office of the DD/PTOS, in addition to 25X1A myself and have two secretaries, In Physical Security Division,

> Overseas Security Branch, Overseas Security Branch will have the responsibilities formerly assigned to OSSD less some of the Technical responsibilities, but added to it will be the security office skills contained the counter terror area. is the Chief of that Branchand

25X1A Safety Branch. Safety Branch is really the only other area within

> PTOS that has some engineering capabilities and they've stayed there because Approved For Release 2000/05/31: CIA-RDP83B00823R000500010021-9

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concludes my information at this time and like to introduce

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I might say that in setting up the new organization, the Task Force that was involved, the emphasis and theme was certainly ones a clean, functional organization. I might say that the threctorate that I ended up with wasn't quite as clean and quite as functional as some of the other units. If I had known where I would be ending up maybe I would have done a little different maneuvering at different points here. I think Stan had the inside track. But in effect in all honesty and 🚱 all sincerity, we do end up with a different collection Junder the Policy and Management It's sort of a mixed bag to a certain extent but I do think there is a common theme that runs through it. And that is the emphasis on services. Not complete but where (Stan) - the emphasis/on people, and, to a certain extent, with it would be more towards things, our element and support is in the direction $^{\it \Pi}$ The other thing I might mention now in terms of services to people. of the approach that is be taking here now is that I'd be inclined to go right to the chart, to discuss the specific units as we move along, and also announce the assignments as they come up. I'm not going through a long list of names where there is no significant changes, a this particularly applies to Security Records Division where there's no major switches down there. Most of the people with one exception remain there. So Hm not going to be listing names just for the sake of listing names. If I may have the first slide please.

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The Mans Programs, Administration Division. Of course

I expect to be working extremely close with

on the general areas of plans and programs. But the normal activities centering

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on personnel, log istics, finance, the normal support activities I don't expect to be getting involved in on a day-to-day basis.

So we really end up with no significant change there.

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Plans and Programs Branch, which will be headed up by of when he returns from And it was the feeling the task force, and Ithink Mr. Osborn, Mr. that there had to be a marriage

The big focus and the big emphasis would be on the

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of the old executive planning division and A&TS that we could no longer afford the luxury of coming up with large programs and going

a separate route in terms of the manpower and the financial support that would be required. So that there had to be a joining together there and the big, big emphasis. I think the big new twist in the Plans and Programs area would be the Plans and Programs

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Branch. Now the assignments in that area of course,

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The other $\operatorname{unit}_{\mathbb{A}}$ and it really doesn't involve any great switch, the Special Security Center it's under me at the present 25X1A time. is very capably running the Junit. They have a big job, a big task, and not too many people to do the work. We're going to be trying to get some additional strength there 25X1A to give a 🗀 hand, with putting the emphasis on quality, (in that) security manuals, guidance various areas. Now there's 25X1A as I mentioned, will remain there 25X1A 25X1A A new assignment of course 25X1A me'll be moving into the Special Security 25X1A

The other unit is Security Records Division .

I might mention that there's no major switch or no major change that's intended in terms of Security Records Division

will still be Chief of the Division. It will be getting increased of course and specifically in the area of the Microfiche Program.

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holding problem. The IG has focused in on this pretty heavily and the Seventh Floor has focused in on it, and I really think that the gun is to our backs in terms of getting a handle on the Security Records management problem. And this has had some influence certainly with the task force as far as the assignments. It's rather significant that with all the consolidations and the general decrease in the T/O's in most of the areas that this is the one division where there's been an increase in the T/O. It has gone up to some extent, and the reason for it is because of the records holding problem.

Division. A switch is that will be moving in as 25X1A

the Deputy Chief of the Division. who is already

down there, will head up the Microfiche Program.

will be moving in to give a hand in the same area.

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from the Personnel Security

in, not on the Microfiche Program but in SRD. The same with —

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3 will be moving down there. George worked

Division,

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will be moving

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management problem in SRD.

will be

moving to and in the compartmented information branch.

for me previously and again, focusing in on to the records

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will be taking

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over as Chief of the Branch.

Two new assignemtns tat

would be going in there would include

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from SRS. So there's no

major switch. The big emphasis is on the records management problem.

Now the other major unit is the information mandling group, the computer security area, headed by 25X1A

Two major problems in that area, the first one is

speaking the same language so that we can communicate

and number two, getting good personnel in that unit. I haven't

beat en the first problem but we'll be working heavily on the second

one. I think there are good people that will be going into the

unit or that will be retaining in there. will be heading it

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up. I'm very pleased to have

come over. agai

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this would be one of the assignements that's firm as far as the office of Security is concerned. I don't know that it's completely solid in terms

sort of a mixed bag, a little bit different from some of the other

Directorates but I think we can make it work. The main thing

is team effort the whole way through. I think it can be pretty

harmonious if necessary in order to get the togetherness theme

going we might pull in to give a hand. That's about it.

Thank you very much.

The next speaker, the guy with the big empire, is

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25X1A MR. Rudy, if I could have Slide #4, please.

After reference to a clean and functional organization

I expect that somebody is going to call me Mr. Clean after that, I don't

know. [Laughter.] But I would like to say a few words, and I think

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this program has been well orchestrated up till this time, and with the number of names that I have to announce here I'm sure that we're going to go off the track a little bit as far as time (allocation) is concerned. But Ithink as you look at this organizational chart or this wiring diagram you'll find that we are organized on rather clean and functional lines. and it's a people problem oriented organization. If you note, we have the Clearance Division, which a is a change that's come to this organization after many, many years, and it's a very welcomed change. In one division and under one management we're going to have complete security screening process from the receipt of any type of clearance, whether it be overt, covert, industrial, evaluator or appraiser is going to set requirements for the investigations. He's going to be in touch with those field offices on matters involving the investigation. He's going to evaluate the information as it comes in and make

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with those field offices on matters involving the investigation.

He's going to evaluate the information as it comes in and make

the decision as to approval. We think this has been
a long time in coming and I think when Mr. Osborn told us to

consolidate what is now the IOS and PS Directorates, I think it

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removed about 80% of the task force problems in approaching this reorganizational situation.

I think this reorganization, as far as personnel security investigations is concerned, is going to certainly enhance our efficiency. It's going to remove much duplication that currently exists. I think it's really going to improve our image throughout the Agency in terms of clearances and approvals.

And I hink it's going to give us a more consistent voice in the adjudication of clearance and approval matters, apparticularly at the working level. I look forward to not a consolidation, really of two old organizations that had existed throughout the years but the birth of a new organization. And I'm sure that with the personnel that we have assigned to us that it's going to be certainly a very successful organization.

There are several things that I'd like to point out
that may be obvious to you. First, in the clearance field
we're going to have under it the research branch. In the Office
of the Chief of the Clearance Division we're going to have a
senior counterintelligence specialist, who's going 25X1A
to be working very closely with

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We feel that over the years the emphasis on research and the importance of it is directly related to the security posture and the security clearance status of individuals who are being researched or who are being - who are under consideration from the standpoint of being offered as targets or attempts to penetrate these people. There will be some of the old responsibilities that Security Research Staff had, will be proliferated among other groups in the staff and operations branch and the operational support branch. We will bring in the reinvestigation program as a part of the Research Branch.

We feel this is a normal opportunity for research personnel to review folders as they come through for reinvestigation purposes.

One of the things that we have done in this reorganization

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the polygraph function, into the security Support Division, although was there much discussion about this in the reorganization task force. But we felt that in the future, with the strong emphasis continuing on support to overseas operations and the clandestine service, we felt that the polygraph function, its importance certainly not diminished, will remain basically the way it is now but will be under the Security Support Division

and out of the normal clearance process as we know it today.

We are going to consolidate within the Operations Support

Branch those functions currently being performed by the

special assistants to the Chief, Personnel Security Division,

or, as we know them, the Green Berets. So presumably we're

going to have a large number of Green Berets now and they'll all be in the

Operations Support Branch.

But the normal functions currently being handled by the

Operational Support Branch will continue to be handled

by that organization, such as support to the 25X1A

Office of Training and the Soviet Bloc Division, special inquiry

type of investigations in support of operations, miscellaneous

support at ports of entry and debarkation, and a large change

would be bringing in the officer in, the will be considered the Deputy $C_{\mathcal{D}}^{h}$ ief of the Operations Support Branch.

but basically his job is going to be exclusively the

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I would like to go a little bit into the clearance

Division and talk about what our plans are for reorganization within that Bivision. We will have a Staff and Operations Branch and in that

Branch we're going to have three sections -- a staff evaluation section, a support evaluation section, and an operational evaluation section.

In the Industrial and Certification Branch we'll have an industrial approval section, a services section, and a certification section, in which the liaison approval function will be moved into that function - into that branch and section in the new reorganization.

In the Research Branch we'll have a Counterintelligence Section and the Reinvestigation Section.

Now I'd like 3 to go into personnel assignments

with our immediate office in the DD/PSI we're going to have

as our Chief of Operations. And I would like to say

a word, that Steve is going to have complete authority to operate

with regard to this Directorate. We have a large platter here,

and with his expertise and -- I know that we're going to be

working together very closely -- his going out to the field, paying visits

to the Field Office, my getting involved in this (some of) the new

things that I haven't had too much experience in, in panels,

boards, and that type of thing. And Steve and I have talked at length

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about his and we're looking forward to a busy time of it.

Also included in the immediate office will be Harold

25X1A who we're going to designate as a field office coordinator

doing primarily what he does now with the 25X1A

The secretary to the DD/PSI will be

25X1A and the Secretary to the Chief of Ops, PSI,

25X1A will be

In the Clearance Division of course 25X1A

is going to be the Chief. will be the Deputy. 25X1A

And the secretary will be 25X1A

the counterintelligence specialist, will be assigned to the Office of the

Chief, Clearance Division, and his secretary will be 25X1A

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In the Staff and Operations Branch will 25X1A

be the Chief, and his Deputy will be Of course you 25X1A know Ed is now the Security officer in TSD. He will be moving

over as soon as his replacement comes in in the new month or

six week. The following individuals will be assigned to

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I'm confident that this new organization is going to, as I said before, enhance our effectiveness. We have not disturbed the organization as such, however we continue to respond to requests from the DD/M&S regarding our case loads, the locations of our individuals, we are constantly studying this type of information, and I know that in the future there will be changes, there have been changes already, moving people out of resident agencies, increasing other areas where case loads exists (and there) will be a continuing study of our of field office organization.

Thank you very much.

MR. OSBORN: There you have it. I'd like to give you the opportunity to ask some questions if you have any. Anybody have any questions? You don't get this opportunity very often.

Yes?

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Q:

MR. OSBORN: What if your name wasn't called? [Laughter.]

Believe me, you belong to us. You'll probably find your name on the

list back in the office. I'm sure you will. If you don't, you have

about

my assurance that you'll be put on one, so don't worry it. [Laughter.]

Anything else?

As a matter of fact, I think it's a tribute to the task force, Approved For Release 2000/05/31: CIA-RDP83B00823R000500010021-9

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and particularly to an and his people, that we only have one person who wasn't named. I think it's an extraordinary accomplishment.

Well I'll ask a question of myself because I know it's on the tip of your tongue, and that is, is there going to be another surplus exercise, or excess exercise? Am I right?

I thought I was. I don't know. I honestly don't know.

But I know this, that we are going to make every possible effort to handle the reduction imposed on this office through attrition, (normal) attrition. But I know no more than that. Mr. Browman knows no more than that. And I think that Mr. Colby knows no more than that at the moment. I don't think he's really focused on it. So that I simply don't know. That's as straight as I can give it to you.

Any other questions?

Yes, John?

MR. ?: No question really, just a comment.

I think this morning's effort was well done. I would only suggest that once a year might (not be too often). I would like to thank you.

MR. OSBORN: Thank you very much, John. I appreciate

that. [Applause.]

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and we work with each other, or deal with each other, in a straightforward, candid, honest fashion. We're going to continue efforts to do our business this way. And our sharing this with you this morning, all together, I think typifies the way we try to do business and we'll continue to try to do it. And thank you very much for coming to listen to us. [Applause.]